



December 2, 2022
JCR Pharmaceuticals Co., Ltd.

Translation

JCR to set up in Luxembourg its European packaging and logistics hub for a global distribution of its investigational and commercial biomedicines against rare diseases

Dec. 2, 2022-- JCR Pharmaceuticals Co., Ltd. (TSE 4552; Chairman and President: Shin Ashida; "JCR") announced that it has concluded an agreement with the State of the Grand Duchy of Luxembourg (hereinafter "Luxembourg"), regarding the lease of land and the acquisition of an industrial building in Luxembourg.

The establishment of manufacturing capabilities in Luxembourg has been a strategic consideration since 2017, resulting in the founding of JCR Luxembourg S.A, a wholly owned subsidiary of JCR Pharmaceuticals in August, 2022. This was followed by the acquisition of an industrial building and a surface right on the related land to establish a European logistics hub for packaging, labeling and shipping of JCR's investigational as well as commercial products outside of Japan.

"I am honored to conclude this agreement with the State of the Grand Duchy of Luxembourg," said Shin Ashida, President and Chairman of JCR. "We have been in discussion with Luxembourg in view of JCR's strategic global expansion for several years. To adapt to the evolving environment in the pharma industry, a stepwise approach was reasonable such as the establishment of a European packaging, labeling and logistics hub for global distribution of our investigational as well as commercial products beyond Japan. This agreement reflects the generous understanding and cooperation of Luxembourg and is instrumental for JCR in its global expansion. As we focus on the research and development of several products for the treatment of lysosomal storage disorders that leverage J-Brain Cargo[®], our proprietary blood-brain barrier penetration technology, my expectation remains high to have our biotherapeutic products shipped from JCR Luxembourg and delivered to individuals affected with rare diseases in the world as soon as possible."

The Minister of the Economy, Franz Fayot, declared: "The project of JCR in Luxembourg highlights our attractiveness as a strategic hub allowing international companies to access the European market and beyond. With the project of JCR, we are taking an important step in the strengthening of two of our strategic sectors chosen to diversify our economy: those of health technologies and logistics. The activities that will be developed by JCR will nicely complement the existing activities of LuxairCARGO's logistics Pharma Hub. Our agreement with JCR will reinforce our position as enabling ecosystem for resilient Pharma supply chain. This agreement is our contribution to the fight against rare diseases in our country and globally: we can all take pride in this."

1. Building acquired

(1) Overview

Location	ZI wolser, L3452 Dudelange
Property overview	Use: Secondary packaging facility for pharmaceutical products, compliant with GMP Site area: 10,270 m ² Building footprint: 2,350 m ²
Acquisition funds	Own funds
Other	The land on which the building stands is leased by the State of the Grand Duchy of Luxembourg

(2) Seller: The State of the Grand Duchy of Luxembourg

(3) Agreement concluded on: 10 November 2022

2. Overview of the subsidiary company

Corporate name	JCR Luxembourg S.A.
Representative	Mathias Schmidt, PD, Ph.D., Director
Business	Label, package, store and/or distribute, including import and export, pharmaceuticals products and their materials in its future plant
Working capital	€ 5,000,000 (Approximately 679,100,000 yen*) *The amount is converted into Japanese currency at the rate of 1€=135.82JPY (TTM on August 4, 2022)
Date of establishment	August 4, 2022
Investment ratio	JCR Pharmaceuticals Co., Ltd. 100%

3. Outlook

This acquisition is expected to have a minor impact on JCR's consolidated financial results for the year ending March 31, 2023.

About JCR Pharmaceuticals Co., Ltd.

JCR Pharmaceuticals Co., Ltd. (TSE 4552) is a global specialty pharmaceuticals company that is redefining expectations and expanding possibilities for people with rare and genetic diseases worldwide. We continue to build upon our 4-year legacy in Japan while expanding our global footprint into the US, Europe, and Latin America. We improve patients' lives by applying our scientific expertise and unique technologies to research, develop, and deliver next-generation therapies. Our approved products in Japan include therapies for the treatment of growth disorder, Fabry disease, acute graft-versus host disease, and renal anemia. Our investigational products in development worldwide are aimed at treating rare diseases including MPS I (Hurler, Hurler-Scheie and Scheie syndrome), MPS II (Hunter syndrome), MPS III A and B (Sanfilippo type A and B), and more. JCR strives to expand the possibilities for patients while accelerating medical advancement at a global level. Our core values – reliability, confidence, and persistence – benefit all our stakeholders, including employees, partners, and patients. Together we soar. For more information, please visit <https://www.jcrpharm.co.jp/en/site/en/>.

Cautionary Statement Regarding Forward-Looking Statements

This document contains forward-looking statements that are subject to known and unknown risks and uncertainties, many of which are outside our control. Forward-looking statements often contain words such as “believe,” “estimate,” “anticipate,” “intend,” “plan,” “will,” “would,” “target” and similar references to future periods. All forward-looking statements regarding our plans,

outlook, strategy and future business, financial performance and financial condition are based on judgments derived from the information available to us at this time. Factors or events that could cause our actual results to be materially different from those expressed in our forward-looking statements include, but are not limited to, a deterioration of economic conditions, a change in the legal or governmental system, a delay in launching a new product, impact on competitors' pricing and product strategies, a decline in marketing capabilities relating to our products, manufacturing difficulties or delays, an infringement of our intellectual property rights, an adverse court decision in a significant lawsuit and regulatory actions.

This document involves information on pharmaceutical products (including those under development). However, it is not intended for advertising or providing medical advice. Furthermore, it is intended to provide information on our company and businesses and not to solicit investment in securities we issue.

Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the factors that could cause actual results to differ materially, even if new information becomes available in the future.

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